



# County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION  
LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

DAVID E. JANSSEN  
Chief Executive Officer

July 3, 2007

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

## **APPROPRIATION ADJUSTMENT FOR THE DEPARTMENT OF HEALTH SERVICES FISCAL YEAR 2006-07 BUDGET FOR QUADRAMED PRODUCTS AND SERVICES (ALL AFFECTED) (3 VOTES)**

### **IT IS RECOMMENDED THAT YOUR BOARD:**

Approve the attached Appropriation Adjustment to the Fiscal Year 2006-07 Final Budget to transfer \$6,592,000 from the Department of Health Services (DHS) - Health Services Administration (HSA) to LAC+USC Healthcare Network (LAC+USC) for \$2,414,000, Coastal Network (Harbor) for \$1,846,000, ValleyCare Network (OVMC) for \$1,099,000 and Southwest Network (MLK) for \$1,233,000 to provide additional funding for enterprise-wide QuadraMed products and services.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

In approving the recommended action, the Board is authorizing DHS to transfer Services and Supplies (S&S) appropriation from HSA to DHS facilities - LAC+USC, Harbor, OVMC and MLK. This action is required to provide additional funding to cover the cost of the enterprise-wide QuadraMed S&S expenses. QuadraMed is DHS' Healthcare Information System (HIS) vendor. This additional funding will allow the facilities to offset their enterprise-wide QuadraMed S&S expenses related to the Master Patient Index (MPI) Suite (to improve patient identification), MPI clean-up services (identification and reduction of duplicate medical records), Quantim suite (for improved Health Information Management and to support the management of the electronic medical records), and Inpatient Pharmacy.

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

**FISCAL IMPACT/FINANCING**

The recommended Appropriation Adjustment will transfer appropriation from HSA to DHS facilities by decreasing HSA's S&S appropriation by \$6,592,000 and increasing LAC+USC's S&S appropriation by \$2,414,000, increasing Harbor's S&S appropriation by \$1,846,000, increasing OVMC's S&S appropriation by \$1,099,000 and increasing MLK's S&S appropriation by \$1,233,000. Funding for this Appropriation Adjustment is included in HSA's Fiscal Year 2006-2007 Final Budget.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The requested action appropriately aligns funding from DHS-HSA to the facilities to offset the above-mentioned enterprise-wide QuadraMed expenses. These QuadraMed products and services have already been included in Amendment Number Seven to County Agreement Number 72190 and Amendment Number Eight to County Agreement Number 56649 with QuadraMed Corporation and QuadraMed Affinity Corporation. There is no change to the maximum contract sum of either agreement.

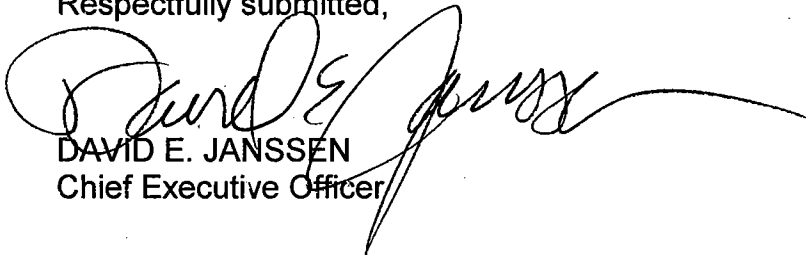
**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Not applicable.

**CONCLUSION**

When approved, the Department of Health Services requires three copies of the Board's action.

Respectfully submitted,



DAVID E. JANSSEN  
Chief Executive Officer

DEJ:SRH:SS  
DJ:LT:bjs

Attachments (1)

c: County Counsel  
Auditor-Controller

COUNTY OF LOS ANGELES  
REQUEST FOR APPROPRIATION ADJUSTMENT

DEPT'S. No. \_\_\_\_\_

DEPARTMENT OF Health Services

DATE 06/13/2007

AUDITOR CONTROLLER.

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

## ADJUSTMENT REQUESTED AND REASONS THEREFOR

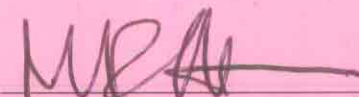
Budget Adjustment  
Fiscal Year 2006-07  
3-Vote

SEE ATTACHMENT - SUMMARY TOTAL \$13,184,000

## JUSTIFICATION:

This appropriation adjustment requests the transfer of S&S appropriation, within the Department of Health Services (DHS), from the General Fund of Health Services Administration (\$6,592,000), to the following Enterprise Funds: LAC+USC Healthcare Network (\$2,414,000), Coastal Network (\$1,846,000), ValleyCare Network (\$1,099,000), and Southwest Network (\$1,233,000). This is a one-time transfer to provide the medical facilities with the required funding to pay for QuadraMed products and services that are part of the DHS enterprise-wide applications designed to improve patient identification, electronic medical records, pharmacy and health information management. All these are necessary components enabling DHS migration into electronic health records.

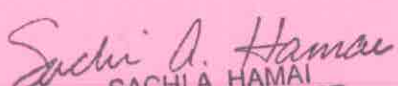
MM:jw


Mason Matthews, Acting Controller  
DHS-Controller's Division

CHIEF ADMINISTRATIVE OFFICER'S REPORT

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

21 JUL - 3 2007

  
SACHIN A. HAMAI  
EXECUTIVE OFFICER

REFERRED TO THE CHIEF  
ADMINISTRATIVE OFFICER  
FOR:
☐ ACTION  
☒ RECOMMENDATION
APPROVED AS REQUESTED ☒ AS REVISED ☐

6/19/07



CHIEF ADMINISTRATIVE OFFICER

APPROVED (AS REVISED):  
BOARD OF SUPERVISORS

AUDITOR-CONTROLLER No.

BY:



298

JUN 15, 2007

BY:

DEPUTY COUNTY CLERK

SEND 6 COPIES TO THE AUDITOR-CONTROLLER

21 JUL - 3 2007

JUL - 3 2007

**BUDGET ADJUSTMENT  
FOR FISCAL YEAR 2006-07  
3-VOTE**

HS-HEALTH SERVICES ADMINISTRATION  
A01-HS-20000-2000 6,592,000.00  
SERVICES & SUPPLIES  
DECREASE APPROPRIATION

AC-ENT SUB-LAC+USC HLTHCARE NETWK  
A01-AC-21200-21224-6100 2,414,000.00  
OTHER FINANCING USES  
INCREASE APPROPRIATION

AC-ENT SUB-COASTAL CLUSTER  
A01-AC-21200-21226-6100 1,846,000.00  
OTHER FINANCING USES  
INCREASE APPROPRIATION

AC-ENT SUB-SF VALLEY CLUSTER  
A01-AC-21200-21232-6100 1,099,000.00  
OTHER FINANCING USES  
INCREASE APPROPRIATION

AC-ENT SUB-SW CLUSTER  
A01-AC-21200-21228-6100 1,233,000.00  
OTHER FINANCING USES  
INCREASE APPROPRIATION

LAC+USC HEALTHCARE NETWORK  
MN4-HG-60010-96-9912 2,414,000.00  
Operating Subsidy-Gen Fund  
INCREASE REVENUE

LAC+USC HEALTHCARE NETWORK  
MN4-HG-60010-2000 2,414,000.00  
SERVICES & SUPPLIES  
INCREASE APPROPRIATION

COASTAL NETWORK  
MN1-HH-60020-96-9912 1,846,000.00  
Operating Subsidy-Gen Fund  
INCREASE REVENUE

COASTAL NETWORK  
MN1-HH-60020-2000 1,846,000.00  
SERVICES & SUPPLIES  
INCREASE APPROPRIATION

VALLEYCARE NETWORK  
MN3-HO-60050-96-9912 1,099,000.00  
Operating Subsidy-Gen Fund  
INCREASE REVENUE

VALLEYCARE NETWORK  
MN3-HO-60050-2000 1,099,000.00  
SERVICES & SUPPLIES  
INCREASE APPROPRIATION

SOUTHWEST NETWORK  
MN5-HK-60030-96-9912 1,233,000.00  
Operating Subsidy-Gen Fund  
INCREASE REVENUE

SOUTHWEST NETWORK  
MN5-HK-60030-2000 1,233,000.00  
SERVICES & SUPPLIES  
INCREASE APPROPRIATION

SUMMARY TOTAL 13,184,000.00

13,184,000.00